

VIRGINIA GAS AND OIL BOARD MINUTES AND RESULTS OF BOARD HEARINGS

February 17, 2009

Pursuant to Sections 45.1-361.9.B and 45.1-361.22.B of the *Code of Virginia*, the Virginia Gas and Oil Board held hearings that began at 9 a.m. on **Tuesday, February 17, 2009**, at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, Virginia.

The following members of the board were present: Bradley Lambert (Chairman), Bill Harris, Donnie Ratliff, Katie Dye, Mary Quillen, and Peggy Barber,

Also present were Sharon Pigeon, Assistant Attorney General; David E. Asbury, Principal Executive to the Staff of the Board; Jim Lovett and Diane Davis from the Division of Gas and Oil.

The following items were heard and considered by the Board.

1. The Board will receive a quarterly report on the escrow account as administered by Wachovia Bank, Escrow Agent for the Virginia Gas and Oil Board. In addition, the Board will receive a report on the status of the RFP for audit of the Board's escrow account.

Mr. Asbury presented quarterly and year-end Escrow Account information to the Board:

Quarterly Statement of Account

Wachovia Bank, Escrow Agent for:

Virginia Oil and Gas Board (VGOB)

	2007 Year-End	2008 31-Mar	2008 30-Jun	2008 30-Sep	2008 31-Dec	2008 Year-to-date
1 Beginning Value	\$ 15,942,163	\$ 18,514,685	\$ 19,386,778	\$ 21,517,418	\$ 23,066,504	\$ 18,514,685
2 Contributions	2,880,421	763,348	2,056,250	1,610,677	944,329	5,374,604
3 Income (net)	754,937	122,999	74,391	82,918	66,578	346,885
4 Realized Gain / (Loss)	-	-	-	-	-	-
5 Unrealized Gain / (Loss)	-	-	-	-	-	-
6 Fees and Expenses	-	-	-	-	-	-
7 Withdrawals	(1,062,837)	(14,254)	-	(144,509)	(94,120)	(252,883)
8 Ending Value	\$ 18,514,685	\$ 19,386,778	\$ 21,517,418	\$ 23,066,504	\$ 23,983,291	\$ 23,983,291

Regarding the Request for Proposal (RFP) relative to an audit of the Escrow Fund, Mr. Asbury stated four bids had been received and opened in public. One bid was considered a no-bid declining to participate in the audit, while the remaining three bids were \$5,000, \$13,600 and \$105,600. Mr. Asbury asks that the board allow him the opportunity to provide a copy of each bid package and the summary ranking based on the RFP evaluation criteria performed by the Office of General Services and the Department of Mines, Minerals and Energy. After review, each board member will provide their selection choice via email to Asbury. The board member preferences will be compiled and successful proposal awarded by Mr. Asbury on behalf of the board, based on a majority of the recommendations received.

2. The Board Committee considering Post Production Cost Allowances when involuntarily pooled will present their recommendation to the full Board.

After eight months of debate, receiving and reviewing public comments, expert testimony, and member research, the committee made no recommendation to the full Board and was deadlocked on revisions to the existing board order language. The Board is aware this issue is being debated and is before the 2009 Session of the Virginia General Assembly. The Board will take no further action at this time and allow the General Assembly to act.

At the February 6, 2009 meeting, the committee was adjourned and no further meetings are scheduled.

3. A petition from CNX Gas Company, LLC for the creation and pooling of coalbed methane unit TA-132, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-09-0120-2423. **This docket item was continued from January 2009.**

In the 41.66 acre statewide spacing unit, TA132, served by well TA-132, the applicant controls 100% of the coal interests and 73.72% of the gas interests. The applicant seeks to pool the remaining 26.28 of the gas interests. Unleased gas acreage subject to pooling totals 21.03 net acres +/- . An escrow is required for conflicting claims in Tract 2. A surface owner states he was listed as the oil and gas owner and CNX is the coal owner according to the petition.

The petition was withdrawn by the applicant.

4. A petition from Equitable Production Company for disbursement of funds from escrow and authorization of Direct payments of royalties on Tract 3, Well VC-505247, Kenady District, Dickenson County, Virginia. Docket Number VGOB-03-0415-1145-02.
This docket item was continued from January 2009.

Conflicting owners of coalbed methane royalties have reached an agreement regarding Tract 3, for well VC-505247 that includes Mark Stanley, Candace Stanley-Berry, The Estate of Nathan Todd Stanley, Sonya R. Stanley Abel Trust, Jeffrey A. Berry Trust and Range Resources-Pine Mountain Inc. The coal owner is Range Resources and gas owner is the Stanley Trust. Disburse on an 80 – 20 split.

This petition was approved by the Board.

5. A petition from Appalachian Energy, Inc. for pooling of coalbed methane unit AE-199 (Unit F-37), Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2439.
This docket item was continued from January 2009.

AE-199 (Unit F-37), is an 80.15 acre unit in the Oakwood 1 Coalbed Methane Field. The applicant controls 22.58% of the coal, oil and gas interests. The applicant seeks to pool the remaining 77.42% of the coal, oil and gas. Unleased coal, oil and gas acreage subject to pooling totals 62.06 acres +/- . Escrowing is required for conflicting claims in Tracts 2 and 4.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

6. A petition from Appalachian Energy, Inc. for pooling of coalbed methane unit AE-237 (Unit F-36), Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2440.
This docket item was continued from January 2009.

AE-237 (Unit F-36) is an 80.15 acre unit in the Oakwood 1 Coalbed Methane Field. The applicant controls 24.98% of the coal and 24.73% of the gas interests. The applicant seeks to pool the remaining 75.02% of the coal and 75.27% of the gas interests. Unleased coal acreage subject to pooling totals 60.13 and gas acreage totals 60.33 +/- . An escrow account is required for conflicting claims in Tract 4.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

7. A petition from Appalachian Energy, Inc. for pooling of coalbed methane unit AE-245 (Unit F-35), Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2441.
This docket item was continued from January 2009.

AE-245 (Unit F-35) is an 80.15 acre unit in the Oakwood 1 Coalbed Methane Field. The applicant controls 21.76% of the coal, oil and gas. The applicant seeks to pool the remaining 78.24% of the coal, oil and gas. Unleased acreage subject to pooling totals 62.71 acres +/- .

Upon request by the applicant, the petition was continued to the March 2009 meeting.

8. A petition from Appalachian Energy, Inc. for pooling of coalbed methane unit AE-243 (Unit F-34), Garden District, Buchanan County, Virginia. Docket Number VBOB-09-0120-2442.
This docket item was continued from January 2009.

AE-243 (Unit F-34) is an 80.13 acre unit in the Oakwood 1 Coalbed Methane Field. The applicant controls 32.17% of the coal interests and 39.81% of the gas interest and is seeking to pool the remaining 67.83% of the coal and 60.19% of the gas. Unleased coal acreage subject to pooling totals 54.35 acres and unleased gas acreage totals 48.23 acres +/- . An escrow account is required for conflicting claims in Tracts 1 and 3. Petition continued to March 2009 by the Board.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

9. A petition from Appalachian Energy, Inc. for pooling of coalbed methane unit AE-241 (Unit F-33), Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2443. **This docket item was continued from January 2009.**

AE-241 (Unit F-33) is an 80.13 acre unit in the Oakwood 1 Coalbed Methane Field. The applicant controls 36.07% of the coal interests and 46.06% of the gas interests. The applicant seeks to pool the remaining 63.93% of the coal and 54.94% of the gas interests. Unleased coal acreage subject to pooling totals 51.24 acres and gas acreage totals 44.03 acres +/- . An escrow account is required for conflicting claims in Tracts 1 and 2.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

10. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit E-37, Rogers Well 426, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2447.
This docket item was continued from January 2009.

E-37 is an 80 acre unit in the Oakwood Coalbed Methane Field and served by well Rogers 426. The applicant controls 9.45% of the coal and gas interests and seeks to pool the remaining 16.44% coal and gas acreage subject to pooling totals 12.66 acres +/- . An escrow account is required for conflicting claims in Tract 4. A revised plat would be required as well as a new set of exhibits.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

11. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit F-33, Rogers Well 416, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2449.

This docket item was continued from January 2009.

F-33 is an 80 acre unit in the Oakwood Coalbed Methane Field and served by well Rogers 416. The applicant controls 51.07% of the coal and gas interests and seeks to pool the remaining 48.93. Unleased coal and gas acreage subject to pooling totals 40.86 acres +/- . An escrow account is required for unknown/unlocatable claims in Tract 4. A revised B, B3 and E will be submitted prior to further consideration.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

12. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit F-34, Rogers well 417, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2450.

This docket item was continued from January 2009.

F-34 is an 80 acre unit in the Oakwood Coalbed Methane Field and served by well Rogers 417. The applicant controls 53.77% of the coal and gas interests and seeks to pool the remaining 46.23% of the coal and gas interests. Unleased coal and gas acreage subject to pooling totals 43.01 acres +/- .

Upon request by the applicant, the petition was continued to the March 2009 meeting.

13. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit F-35, Rogers well 418, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2451.

This docket item was continued from January 2009.

F-35 is an 80 acre unit in the Oakwood Coalbed Methane Field and served by well Rogers 418. The applicant controls 72.55% of the coal and gas interests and seeks to pool the remaining 27.45%. Unleased coal and gas acreage subject to pooling totals 21.96 acres +/- . An escrow account is required for unknown/unlocatable claims in Tract 3. Petition continued to March 2009 by the Board.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

14. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit F-36, Rogers well 419, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2452.

This docket item was continued from January 2009.

F-36 is an 80 acre unit in the Oakwood Coalbed Methane Field and served by well Rogers 419. The applicant controls 70.93% of the coal and gas interests and seeks to pool the remaining 29.07%. Unleased coal and gas acreage subject to pooling totals 23.25 acres +/- . An escrow account is required for unknown/unlocatable claims in Tract 3.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

15. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit F-37, Rogers Well 420, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0120-2453.

This docket item was continued from January 2009.

F-37 is an 80 acre unit in the Oakwood Coalbed Methane Field and served by well Rogers 420. The applicant controls 53.46% of the coal and gas interests and seeks to pool the remaining 46.46%. Unleased coal acreage subject to pooling is 37.16 acres and gas acreage subject to pooling totals 23.25 acres +/- . An escrow account is required for unknown/unlocatable(s) in Tract 3.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

16. A petition from CNX Gas Company, LLC for creation of a drilling unit and pooling of conventional gas unit F10CV, South Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2460.

CNX Gas is seeking to create and pool a 112.69 acre conventional gas drilling unit. CNX controls 93.7498% of the oil and gas rights and seeks to pool the remaining 6.2502%. Unleased acreage subject to pooling totals 7.04 acres +/- . There are no unknowns or un-locatable owners, therefore, escrowing is not required.

The petition was approved by the Board.

17. A petition from CNX Gas Company, LLC for creation of a drilling unit and pooling of conventional gas unit G9CV, South Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2461.

CNX Gas is seeking to create and pool a 112.69 acre conventional gas drilling unit G9CV. CNX controls 83.3859% of the oil and gas rights and seeks to pool the remaining 16.6141%. Unleased acreage subject to pooling totals 18.72 acres +/- . There are no unknowns or unlocatable owners; therefore, escrowing is not required.

The petition was approved by the Board.

18. A petition from CNX Gas Company, LLC for creation of a drilling unit and pooling of conventional gas unit G11CV, South Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2462.

CNX Gas is seeking to create and pool a 112.69 acre conventional gas drilling unit G11CV. CNX controls 83.0213% of the oil and gas rights and seeks to pool the remaining 16.9787%. Unleased acreage subject to pooling totals 19.13 acres +/- . There are no unknowns or unlocatable(s); therefore, escrowing is not required. Applicant provided revised exhibits to reflect that the Belcher Estate has been leased.

The petition was approved by the Board.

19. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit AP81, Prater District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2463.

In the 69.84 Nora Coalbed Methane Unit, AP81, the applicant controls 95.8906% of the coal, oil and gas and is seeking to pool the remaining 4.1094%. Unleased acreage subject to pooling totals 4.63 acres +/- . There are no unknowns or unlocatable(s); therefore, escrowing is not required.

Upon request by the applicant, the petition was continued to the April 2009 meeting.

20. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit BB92, Hurricane District, Buchanan County, Virginia. Docket Number VBOB-09-0217-2464.

CNX Gas seeks to pool a 58.78 Nora Coalbed Methane Unit BB-92. The applicant controls 98.3838% of the coal, oil and gas, and are seeking to pool the remaining 1.6162%. Unleased acreage subject to pooling totals 0.95 acres +/- . There are no unknowns or unlocatable(s); therefore, escrowing is not required.

The petition was approved by the Board.

21. A petition from CNX Gas Company, LLC for **disbursement** of funds from escrow and authorization for direct payment of royalties on Tract 2, Well AX-135, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-04-0120-1249-01.

Conflicting owners of coalbed methane royalties have reached an agreement regarding Tract 2, for drilling unit AX-135 that includes the coal fee owner, Coal Creek Coal and the gas fee owner, Kenneth Anders (previously Emma Vance). The applicant requests disbursement of funds on account and authorization for direct payment to these parties. The applicant further requests the account to be closed after disbursement. Account balance is \$43,481.52 with 50% to Coal Creek and 50% to Kenneth Anders. Emma Vance is deceased and her will and estate records reflect that Kenneth Anders is the only remaining heir of Emma Vance. A revised EE was provided with the application to reflect the aforementioned name change.

The petition for disbursement was approved by the Board.

22. A petition from CNX Gas Company, LLC for **disbursement** of funds from escrow and authorization for direct payment of royalties on Tract 2, Well AW-135, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-04-0120-1248-02.

Conflicting owners of coalbed methane royalties have reached an agreement regarding Tract 2 for drilling unit AW-135 that includes the coal fee owner, Coal Creek Coal and the gas fee owner, Kenneth Anders (previously Emma Vance). The applicant requests disbursement of funds on account and authorization for direct payment to these parties. Two tracts are in escrow but disbursement is only for Tract 2. Emma Vance is deceased and her will and estate records reflect that Kenneth Anders is the only remaining heir of Emma Vance.

The petition for disbursement was approved by the Board.

23. A petition from CNX Gas Company, LLC for **disbursement** of funds from escrow and authorization for direct payment of royalties on a portion of Tract 2A and Tract 2C, Well T-36, Garden District, Buchanan County, Virginia. Docket Number VGOB-98-0324-0625-06.

Conflicting owners of coalbed methane royalties have reached an agreement regarding a portion of Tract 2A and Tract 2C that includes the coal owner, Hurt McGuire Land Trust and the gas owners, Joe Nipper, Linda Shelton, Jerline Davis, Lois Casey, Theodore Stilwell and Quentin Stilwell. The applicant requests disbursement of funds on account and authorization of direct payment to these parties. Tract 2a the five parties are to receive .5913% of escrow and is a 50/50 split. Tract 2C is a 50/50 split between Joe Nipper and Hurt McGuire. The Linkous Horn heirs objected because they have not been provided with copies of the split agreements. Mr. Swartz stated he had not nor felt he should provide private contractual agreements Mr. Swartz also stated that this is not the tract being disbursed. Ms. Duty stated that the Linkous Horn heirs are not in this disbursement. Submit a copy of the most recent board order with exhibits and if they are in agreement with the current disbursement to move forward.

The petition was approved by the Board.

24. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit YYY-36, Rogers Well 279, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2465.

This is an 80 acre Oakwood 1 unit identified as YYY-36 and served by well Rogers 279. GeoMet has leased 52.04% of the coal and gas estate and seeks to pool the remaining 47.96%. Unleased coal and gas acreage subject to pooling totals 38.368. There are no unknowns or conflicting claims, therefore, escrowing is not required.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

25. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit A-32, Rogers Well 286, Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2466.

This is an 80 acre Oakwood 1 unit identified as A-32 and served by well Rogers 286. GeoMet has leased 66.95% of the coal and 50.2125% of the gas and seeks to pool the remaining 33.05% of the coal and 49.7875% of the gas. Unleased coal acres totals 26.385846 and unleased gas acreage totals 39.83 subject to pooling. An escrow account is required for conflicting owners in tracts 1 and 3.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

26. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit A-33, Rogers Well 438, Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2467.

This is an 80 acre Oakwood 1 unit identified as A-33 and served by well Rogers 438. GeoMet has leased 63.83% of the coal and 47.8727% of the gas and seeks to pool the remaining 36.17% of the coal and 52.1273% of the gas. Unleased coal acres totals 21.4188 and unleased gas acreage totals 41.7019 subject to pooling. An escrow account is required for conflicting owners in tracts 1, 2, 3, 5, and 7.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

27. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit A-37, Rogers Well 277, Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2468.

This is an 80 acre Oakwood 1 unit identified as A-37 and served by well Rogers 277. The applicant has leased 83.89% of the coal and 80.985% of the gas and seeks to pool the remaining 16.11% of the coal and 19.01% of the gas. Unleased coal acres totals 12.888 and unleased gas acreage totals 15.212 which are subject to pooling. An escrow account is required for conflicting owners in Tracts 2 and 5.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

28. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit ZZZ-35, Rogers Well 591, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2470.

GeoMet is seeking to pool an 80 acre Oakwood 1 unit identified as ZZZ-35 and served by well Rogers 591. The applicant has leased 47.39% of the coal and 37.94% of the gas interests and is seeking to pool the remaining 52.61% of the coal and 62.06% of the gas. Unleased coal acres subject to pooling total 44.616 and unleased gas acres total 49.648 +/- . An escrow account is required for conflicting owners in Tracts 1, 2 and 4.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

29. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit ZZZ-36, Rogers Well 213, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2471.

GeoMet is seeking to pool an 80 acre Oakwood 1 unit identified as ZZZ-36 and served by well Rogers 213. The applicant has leased 83.42% of the coal and 83.247% of the gas interests and is seeking to pool the remaining 16.58% of the coal and 16.75% of the gas. Unleased coal acres subject to pooling total 13.264 and unleased gas acres total 13.402 +/- . An escrow account is required for conflicting owners in Tract 4.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

30. A petition from GeoMet Operating Company, Inc. for pooling of coalbed methane unit ZZZ-37, Rogers Well 212, North Grundy District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2472.

This is an 80 acre Oakwood 1 unit identified as ZZZ-37 and served by well Rogers 212. The applicant has leased 97.56% of the coal and gas interests and is seeking to pool the remaining 2.44%. Unleased coal and gas acres subject to pooling total 1.95 +/- . There are no unknown/unlocatable(s) or conflicting owners, therefore, an escrow account is not required.

Upon request by the applicant, the petition was continued to the March 2009 meeting.

31. A petition from Appalachian Energy, Inc. for pooling of coalbed methane unit I-38 served by wells AE-208 and AE-209, Garden District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2473.

This is an 80.15 acre Oakwood 1 unit identified as I-38 and served by wells AE-208 and AE-209. The applicant has leased 91.95% of the coal and 86.04% of the gas and seeks to pool the remaining 8.05% of the coal and 13.96% of the gas. Unleased acreage total 6.46 for the coal and 11.19 for the gas. There are no unknown or conflicting owners; therefore, escrowing is not required. Revised exhibits Band B3 were filed by the applicant.

The petition was approved by the Board.

32. A petition from Equitable Production Company for pooling of coalbed methane unit VC-537054, Prater District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2474.

This is a 58.71 acre Nora Coalbed unit AL-75 served by well VC-537054. The applicant has 100% of the coal leased and 0% (Yellow Poplar) of the gas leased and seeks to pool the remaining 100% of the gas estate. Unleased acreage for the gas estate totals 58.77 acres. There are unlocatable and conflicting owners in Tract 1, therefore, escrowing is required.

The petition was approved by the Board.

33. A petition from Equitable Production Company for pooling of coalbed methane unit VC-536880, Prater District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2475.

This is a 58.77 acre Nora Coalbed unit identified as AO-78 and is served by well VC-536880. The applicant has 100% of the coal leased and 64.28% of the gas leased and seeks to pool the remaining 35.72% of the gas estate. Unleased acreage for the gas estate totals 20.99 acres. An escrow account is required for unlocatable in Tract 1 and conflicting owners in Tracts 1, 2, and 3.
The petition was approved by the Board.

34. A petition from Equitable Production Company for pooling of coalbed methane unit VC-537003, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-09-0217-2476.

This is a 58.74 acre Nora Coalbed unit identified as AS-60 and served by well VC-537003. The applicant has 95.4533% of the coal and gas leased and seeks to pool the remaining 4.55%. Unleased acreage subject to pooling totals 2.67 acres for coal, oil and gas. There are no unknowns/unlocatable(s) or conflicting owners, therefore, escrowing is not required.
The petition was approved by the Board.

35. A petition from Equitable Production Company for pooling of coalbed methane unit VC-537055, Prater District, Buchanan County, Virginia. Docket Number VGOB-09-0217-2477.

This is a 58.71 acre Nora Coalbed unit identified as AL-74 and served by well VC-537055. The applicant has 53.12% of the gas leased and 100% of the coal. The applicant seeks to pool the remaining 46.88%. Unleased acreage subject to pooling totals 31.19 acres for the gas interests. Escrowing is required in Tract 1 for unlocatable(s)/conflicting owners.
The petition was approved by the Board.

36. A petition from Equitable Production Company for pooling of coalbed methane unit VC-531010, Gladeville District, Wise County, Virginia. Docket Number VGOB-09-0217-2478.

This is a 58.80 acre Nora Coalbed unit identified as BK-9 and served by well VC-531010. The applicant has 98.88% gas leased and 100% of the coal. The applicant seeks to pool the remaining 1.12%. Unleased acreage subject to pooling totals 0.68 for the gas interest. An escrow account is required for conflicting owners in Tracts 4, 5, 6 and 7.
The petition was approved by the Board.

37. A petition from Equitable Production Company for the establishment of a provisional drilling unit consisting of 320 acres for the drilling of horizontal conventional gas well, Unit EPC-2479, Gladeville District, Wise County, Virginia. Docket Number VGOB-09-0217-2479.

The applicant seeks to establish a 320 acre provisional drilling unit for the purpose of drilling conventional horizontal wells in Unit EPC-2479 for the exploration, development and production of conventional natural gas from the pool defined as the top of the Mississippi-Devonian Age formations, including, but not limited to, the Weir, Big Lime, Berea, Devonian Shale and all zones in communication therewith. The applicant owns or leases 100% of the gas estate in this unit.
The petition was approved by the Board.

38. A petition from Equitable Production Company for the establishment of a provisional drilling unit consisting of 320 acres for the drilling of horizontal conventional gas wells, Unit EPC-2480, Gladeville District, and Wise County, Virginia. Docket Number VGOB-09-0217-2480.

The applicant seeks to establish a 320 acre provisional drilling unit for the purpose of drilling conventional horizontal wells in Unit EPC-2480 for the exploration, development and production of conventional natural gas from the pool defined as the top of the Mississippi-Devonian Age formations, including, but not limited to, the Weir, Big Lime, Berea, Devonian Shale and all zones in communication therewith. The applicant owns or leases 100% of the gas estate in this unit.

The petition was approved by the Board.

39. A petition from Equitable Production Company for **disbursement** of funds from escrow and authorization for direct payment of royalties on Tract 3, well VC-537869, Dickenson County, Virginia. Docket Number VGOB-07-1016-2046-01.

Conflicting claimants of coalbed methane royalties have reached an agreement regarding Tract 3 in well VC-537869 which includes the coal owner, Range Resources-Pine Mountain Inc. and the gas owner, Edmund and Linda Edwards. The applicant requests disbursement of funds from the escrow account and authorization for direct payment of royalties to these parties for Tract 3. This will be a 75-25 percent split between gas and coal owners, respectively. **The account will be closed after disbursement.**

The petition for disbursement was approved by the Board.

40. A petition from Range Resources-Pine Mountain Inc. for the establishment of a provisional drilling unit consisting of 320 acres for the drilling of horizontal conventional gas wells, Unit Range-2481, Lipps District, and Wise County, Virginia. Docket Number VGOB-09-0217-2481.

The applicant seeks to establish a 320 acre provisional drilling unit for the purpose of drilling conventional horizontal wells in Unit Range 2481 for the exploration, development and production of conventional natural gas from the pool defined as the top of the Mississippi-Devonian Age formations, including, but not limited to, the Weir, Big Lime, Berea, Devonian Shale and all zones in communication therewith. The applicant owns or leases 100% of the gas estate in this unit.

The petition was approved by the Board.

41. A petition from Chesapeake Appalachia, LLC. for the establishment of a provisional drilling unit consisting of 320 acres for the drilling of horizontal conventional gas wells, Unit HY-156-1H, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-09-0217-2482.

The applicant seeks to establish a 320 acre provisional drilling unit for the purpose of drilling conventional horizontal wells in Unit HY-156-1H for the exploration, development and production of conventional natural gas from the pool defined as the top of the Mississippi-Devonian Age formations, including, but not limited to, the Weir, Big Lime, Berea, Devonian Shale and all zones in communication therewith. The applicant owns or leases 100% of the gas estate in this unit.

Upon request by the applicant, the petition was continued to the April 2009 meeting.

42. A petition from Chesapeake Appalachia, LLC for the pooling of conventional well No. 827140, Unit HY-156-1H, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-09-0217-2483.

The applicant seeks to pool interests in a 320 acre horizontal conventional drilling unit identified as HY-156-1H served by well 827140. The applicant has 96.202% of the gas estate leased and seeks to pool the remaining 3.798%. A total of 12.13 acres of the gas estate remains unleased. There are no unlocatable(s) / conflicting claims, therefore, escrowing is not required.

Upon request by the applicant, the petition was continued to the April 2009 meeting.

43. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530156, Lipps District, and Wise County, Virginia. Docket Number VGOB-09-0217-2484.

Applicant seeks a location exception to the 2500' statewide spacing rule in order to drill conventional well V-530156. EPC Well 148 lies 2,320 feet north 48 degrees 59 minutes east of proposed well V-530156.

The petition was withdrawn by the applicant.

44. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-536731, Kenady District, and Dickenson County, Virginia. Docket Number VGOB-09-0217-2485.

Applicant seeks a location exception to the 2500' statewide spacing rule in order to drill conventional well V-536731. Range Resources-Pine Mountain, Inc. Well V-502018 lies 2233 feet south 89 degrees 53 minutes west of proposed well V-536731.

The petition was approved by the Board.

45. The Board will receive public comment.

(PC-1)

Public comment was received from citizen Kyle Robinson regarding his request before the Board in January 2009 for a full unit accounting from CNX Gas Company that was promised by counsel Swartz. Mr. Robinson recounted the Board directed CNX to contact him and provide his request within a reasonable time. He stated there had been no contact or information provided him since the January meeting. Mr. Robinson requested the Board to require CNX to provide his accounting within a reasonable 30 day period.

Chairman Lambert directed Mr. Asbury to contact CNX and secure Mr. Robinson's full accounting and report back to the board.

(PC-2)

Representing the Linkous-Horn, O.H. Keen heirs and Stillwell heirs, Ronnie Osborne, Kenneth Osborne, Sarah Day, Martha Williams, Thelma Osborne, and Patricia Stilwell provided comments regarding issues of a split agreement for escrow disbursement and tract ownership conflicts in pooled units by CNX Gas Company.

Mr. Osborne brought an issue before the board regarding a four page signed agreement he states, turned into a sixteen page agreement as it was recorded in the county courthouse. He presented certain agreement documents that were received as exhibits RO-1, RO-2, and RO-3.

Mrs. Stilwell presented comments on behalf of the Stillwell heirs and an inability to contact the conflicting land trust company for which the heirs were in conflict with over coalbed methane gas. Chairman Lambert directed Mr. Asbury to provide Ms. Stillwell with contact information.

(PC-3)

Katherine Jewell provided comments before the Board regarding issues of post production costs, statutory obligations and responsibilities.

46. The Board will review and approve minutes of the January 2009 hearing. The January minutes were approved.

The deadline for filing of petitions to the Board for the March 2009 hearing was 5 p.m. Friday, February 13, 2009 with the hearing scheduled for 9 a.m. on Tuesday March 17, 2009 at the Southwest Virginia Higher Education Center, Abingdon, Virginia.